

# **LMI PROJECT MANAGEMENT OVERSIGHT CAPABILITIES RESPONSE TO FEDERAL TRANSIT ADMINISTRATION**

**SOURCES SOUGHT—DTFT60-08-R000**

FTA, OFFICE OF PROCUREMENT EMAIL REQUEST  
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FEBRUARY 8, 2008

# LMI Project Management Oversight Capabilities Statement

LMI is pleased to submit our program management oversight (PMO) capabilities to the Federal Transit Administration (FTA). We strongly believe the FTA technical staff would benefit greatly from our proven PMO capabilities and processes. We look forward to receiving the RFP.

## Introduction

Many federal government construction projects are very costly and require large investments of public resources. These projects can be technically challenging, can take years to construct, and may experience major problems with the quality of construction, cost overruns, and missed milestones. Program and project management oversight (PMO) is an expert service for independently informing top management what they must know about their construction projects. In today's complex construction environment, cost overruns, delays, and claims litigation can double or triple the original estimate of a project, and thereby cause severe financial hardship to the owner. Therefore, decisions made at the top management level must be timely and based on the most accurate and objective information that can be assembled.

## LMI PMO Services

PMO protects an owner's interests on projects by providing an independent and objective assessment of schedule, cost, and quality issues. Moreover, PMO monitors conformance with regulations and the adherence to special national and international agreements that may be in force. PMO identifies major challenges and provides expert assistance in managing and rapidly resolving these challenges. Cost-effective PMO services can and should be applied throughout various stages of a project.

At LMI, we have developed significant experience and success for our clients in providing PMO services. We find that owners are frequently insulated from critical information needed to determine the ultimate cost and delivery of a major construction program or project. By providing the independent, objective, and actionable information needed to make prudent and timely management decisions, PMO services give an owner the confidence needed for critical decision making. LMI's PMO activities can help you anticipate and identify missteps and associated corrective actions at the earliest possible time.

We are subject matter experts in large-scale mega program and project management and study the best practices of high performing organizations. We understand the strategic, operational, and tactical/day-to-day aspects of providing the full range of construction program and project management services, whether it be managing a mega project, such as a Civil Works lock and dam project, the Boston Central Artery/Tunnel, or a Department of Energy Supercollider to

PMO Services
Review and assessment of program and project planning and performance
Early identification of problems and risks associated with safety, cost, schedule, and quality
Recommendation of management alternatives that include cost-effective resolution of problems
Identification of project-specific best practices which can be applied to other programs and projects
Mitigation of contract disputes

developing and managing the portfolio of projects in a public works annual work plan. We know and practice project and program cost estimation techniques on a daily basis—we routinely independently assess detailed mega-project cost estimates and risk-based approaches to modeling costs. We understand the inextricable linkage between project and program costs across the life cycle of a project or program and across the project management areas, such as schedule, cost, scope, and quality. Most importantly, we know how cost, schedule, scope, and quality data and information is used in the public sector decision-making process.

## LMI Approach

In providing PMO services, it is our objective to help you more effectively manage your programs for construction, alteration, and repair of infrastructure and make them a success. We meet that objective by assessing how well you are progressing in terms of quality, cost, and schedule of the various projects—taking a life cycle, systems view of the entire portfolio of projects. We also identify potential pitfalls that lay ahead.



### *General Independent Oversight*

We provide a very broad range of general independent oversight. This could be from providing you with a full-time, on-site, independent presence to weekly telephone conversations and monthly site visits. The LMI team is prepared to assist you with program and project management oversight over the life of the portfolio of the various projects and help you prepare for critical decisions in the project.

At the outset, we conduct an overall program review of your portfolio of projects—assessing the validity and credibility (within your budgetary constraints) of the scope of the project, the underlying assumptions regarding technology and management, the cost and schedule baselines, quality, and contingency provisions. We evaluate your general engineering consultant offers and plans for the other support teams; we evaluate on the status of your current planning efforts; we help you develop land and real estate acquisition strategies; we review your financial planning; and we evaluate the current status of the entire program and determine what the next steps should be. As your projects move forward, we understand that many other issues will be surfacing—we can adapt our support to meet your changing requirements.

#### Benefits Received from Independent Oversight

Our PMO efforts will assist you in setting priorities, reduce surprises, and increase the discipline in the quality assurance process and thereby improve quality in both design and construction. Through our objective monitoring of the health and progress of your portfolio of projects, you will receive our recommendations on your ability to deliver the portfolio and associated projects within the current cost, scope, and schedule. Our recommendations will provide you with a roadmap. As we continue to evaluate your program and identify areas of risk, we will begin to develop a schedule of risks that you can use as you progress through the next steps of the project.

After conducting our initial assessment, we can provide project management oversight and quality assurance, help you develop your program plan of actions and milestones, confirm whom your constituents are and assist you in understanding and meeting their needs, conduct further external independent reviews, provide guidance on financial and fiscal management, recommend innovative financing and contracting options, and troubleshoot problem areas.

## *Assessment of Program and Project Team Capabilities*

We conduct external independent reviews of your in-house and contractor team organizations and business processes. The goal of these reviews is to identify the strengths and weaknesses of the teams and the teams' organizations and conduct of performance. We determine the skill sets that the different team members bring to the table and evaluate the requirement for those skill sets relative to the project timeline. We assess the respective stakeholders' capabilities to support your program and associated projects. We investigate current implementation of project management practices of the agencies and identify successful areas and potential conflicts with the program and projects in areas ranging from the effectiveness of team member interactions to performance of the quality assurance, scheduling, and budget monitoring systems. We develop recommendations for any improvements and confirm an implementation strategy.

### Benefits Received from Assessment of Program and Project Capabilities

We cannot expect that your teams and other stakeholders do business similarly just because they are now partners in a large project. Because these different stakeholders have independently developed their own methods of doing business, they may face challenges as they determine roles and responsibilities. We will identify where there are differences now so that the teams are aware now where there may be conflicts later. LMI will assess the team members' current capabilities and ways of doing business, and make recommendations in areas that need further evaluation. It is important to assess all the players' capabilities and current ways of doing business from two standpoints. First, it is important that all team members are performing efficiently and effectively. Second, it is important for the different agencies to understand and benefit from each other's strengths. We will identify key organizational and business process strengths and weaknesses and provide a rational approach to determine which recommendations to implement.

We use a tool based on the national standard for project management and employed at other government organizations to evaluate the team's management performance and capabilities. The assessment methodology focuses on the organizational performance in the context of project management processes. Using the Project Management Institute project management body of knowledge (PMBOK) standard applied across the project life cycle, we will evaluate performance benchmarking and other business process improvement techniques to identify best appropriate practices from industry and the public sector for adoption by the team. The objective of the benchmarking analysis is to: assess the organizational project management process maturity, apply best-in-class industry standard benchmarks, and identify areas for performance improvement and areas where efficiencies already exist.

We review such areas as: project management processes and business practices, strategic planning, portfolio management, performance management, operational environment, organizational structure and culture, leadership, roles and responsibilities, competencies (organizational, team, and individual), and teamwork and collaboration.

Upon determining the team's current capabilities, we can assist you in

- conducting project management training in areas identified during the initial assessment, and
- continuing to assess the team's capabilities through scheduled external independent reviews.

### *Program and Project Management Plan (PMP) Evaluations*

LMI can conduct an initial assessment of your program and project management plans. It is important that the initial program plan and PMPs be good, solid plans that adequately address both the near term program and project initiation requirements as well as provide a framework for the long term management to completion of the multiple elements of the portfolio of projects. The initial assessment would include a review of the performance requirements for the general engineering consultants to ensure that your requirements are adequately represented and that your expectations can be met. From these initial assessments, we will provide recommendations for any adjustments we believe would enhance the program plan and PMP development process. Once you and the general engineering consultants agree on a project management plan, we can provide additional review services with recommendations in advance of critical milestones to enhance your opportunity for success and limit additional risks.

#### Benefits Received from Program and PMP Evaluations

The assessment of the performance requirements for the general engineering consultant will provide your team a measure of expectations for the initial program plan and various PMPs and allow for any critical changes to PMP requirements before finalizing a contract with the prospective general engineering consultant. Having an appreciation for the evolution of project planning requirements over time will allow your team to better manage future programming and project planning requirements.

Upon award of the general engineering consultants, we can help you

- manage the general engineering consultants as they coordinate with your team(s) and key stakeholders,
- evaluate the general engineering consultants' draft PMPs, and
- review from a value-engineering standpoint.